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THE GOVERNMENT OF THE FABIAN SOCIALIST COMMONWEALTH

SUMMARY

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I

THE time-honored British constitution has been much shaken by the stresses and strains of recent years. Even before the war there were signs of increasing difficulty in the working of the parliamentary system. Government by discussion, as patriotic Englishmen liked to describe it, was open to indictment on three separate counts.

First, the volume of parliamentary business had grown so great that time was lacking in which to dispose of it by the traditional methods. Through control over the order of business in the House, the Cabinet was gradually absorbing the whole power of legislation, so far as measures of general interest were concerned. Measures of private and local interest were disposed of by provisional orders and other administrative processes which left to Parliament only perfunctory duties in connection with such matters. The ministers and their permanent non-political subordinates were absorbing the substantial functions of the sovereign Parliament, just as the latter had formerly absorbed those of

the sovereign Crown. Years ago people had learned that the king reigned, but did not govern. Now sovereignty seemed destined to slip from Parliament's weakening grasp, just as it once did from that of the King. Only the Prime Minister and his associates seemed able to handle the tremendous engine which unlimited power to enact legislation has become in modern times.

A second cause of the recent decline in the prestige of the British constitution springs from the inherent limitations of representative government. The issue between two candidates for the same seat in parliament is primarily personal. Under the modern practise of party government through representative bodies a paramount issue or several dominant issues or even a whole party program may be involved in the contest of personalities. But the number of issues which may be simultaneously determined by such an electoral process is not great. In these complicated times, however, the number and variety of the issues which come before the supreme legislative organ of a great empire like the British is very great. The problems of imperial defense and of finance, the relations between the Empire and its self-governing dominions, the government of Ireland, the working conditions of the wage-earning classes, the relations between the state and industry; these are only a few of the issues which must be settled, if possible, with the ungrudging approval of the largest possible portion of the people of the realm. Only a comparatively few can be settled by the election of representatives, even under the most favorable conditions. Under less favorable conditions with some of the people thinking of one set of problems, and others thinking of something else, a popular election may give to the representatives of the people no clear mandate on any-

thing. In the language of political science the general will of the people of the realm cannot be expressed by any single assembly of representatives. In the United States we escape some of the limitations of a representative government like that of England by various constitutional devices, such as federalism, the separation of powers, and the referendum. But none of these exists in the United Kingdom. The few who possess legally unlimited authority to rule have to depend upon their own devices to keep the ship of state true to its course. Largely out of control during the intervals between elections, the ship is steered by ministers of state with an authority scarcely less absolute than that of kings themselves in the days before royalty was divorced from power.

The third cause of the decline of the prestige of the British constitution follows immediately from the first two. If parliamentary sovereignty is slipping into the hands of the Cabinet, over which the people have only a discontinuous and ineffective control, the rights of individuals and of minorities are in danger. The menace of unlimited royal sovereignty was met in England long ago by the exaltation of the authority of the parliament. The menace of unlimited parliamentary sovereignty was met by insistence that parliamentary authority should be exercised through the forms of law, and that the rule of law should be made tolerable by the fullest and freest discussion throughout the law-making process. Now how is the menace of unlimited Cabinet sovereignty to be met? Americans would answer, through a written constitution which shall define the authority of parliaments and courts, as well as of Cabinets and other executive agencies, and establish a balance between them which shall keep each within its constitutional sphere. But this mode of thinking, tho

derived from the principles of the Whig party which long ruled Great Britain in the eighteenth century, is alien to the present habits of thought of Englishmen. Gradually the barriers to which the individual or minority might look for protection against oppression by the ministers of the Crown have been broken down, and nothing has been put in their place. Any minority which cannot hope for a redress of grievances through the triumph of the official minority party, "His Majesty's Opposition," at the next election, is helpless. Partisanship is the principal defense for the liberties of the subject. For members of minor parties such a defense is no defense at all.

On all sides the critics of the old constitution have made themselves heard. Old-fashioned Tories call for a real reform of the House of Lords, and even for some restoration of authority to the Crown. Old-fashioned Liberals call for the relief of Parliament by some measure of administrative decentralization and regional home rule. Modern Radicals call for recognition of the organized producers of the nation as centers of resistance to an overweening central government and demand new barriers against ancient abuses in the form of self-government in industry and guild socialism. And now come Sidney and Beatrice Webb with their proposals for the future government of Great Britain.

II

Few, if any, of the critics have a better right to be heard than the Webbs. The threatened breakdown of the old constitution is in part the direct result of conditions which they foresaw years ago and have had no inconsiderable part in bringing about. Beyond anything else it is the extension of the functions of the state that

has produced the political crisis in Great Britain. None have urged this extension more persistently and systematically than the Webbs. For a full generation the influence of Fabian socialism has been permeating a land where the economic situation has tended more and more to require the adoption of the policies which the Fabian socialists recommended. Now that their propaganda has met with such a large measure of success, or now that so much of what they advocated has been put into effect, what more natural than that many should turn to them for suggestions concerning the best methods of administering the kind of state they have taught their followers to desire. If specific instructions for their followers' guidance are all that is wanted, there can be no disappointment with this latest product of the Webbs' workshop. For here is presented, as the publishers' announcement truthfully proclaims, "something more than a plan for the reform of the old constitution, more even than a plan for nationalization and municipalization with workers' control." With its proposals for the development of the coöperative movement, for the reorganization of the vocational world, and for the coördination of all factors from the Crown to the Works Committee, it boldly sets forth the structural design of a socialist commonwealth.¹

The Webbs are too shrewd and too experienced in practical affairs to propose a constitution for whatever state it may concern or for the ideal socialist commonwealth. They have confined themselves to the task which they best understand and are most competent to deal with, the framing of a constitution for the socialist commonwealth of Great Britain. "Naturally," they admit, "no one is likely to agree with all our detailed proposals. . . . Nevertheless, we think that it may be

¹ Sidney and Beatrice Webb, *The Constitution of the Socialist Commonwealth of Great Britain*. London, 1919, pp. 364. New York, Longmans, Green & Co. \$4.25.

of service to formulate, with sufficient precision to enable them to be understood, the changes in the British constitution and in the social and economic structure of the nation, that seem to us such as a socialist ministry, supported by a socialist majority in Parliament and among the electorate, would probably be led to propose." Thus at the very outset the Webbs disclose their hands. They are going to propose no revolutionary changes in the machinery for carrying on public business. They contemplate with equanimity the prospect of establishing their socialist commonwealth by means of the very agencies for conducting affairs of state which existed before the war; responsible ministries, parliamentary majorities, popular elections. There is no room in their scheme of things for the transfer of all power to a Soviet and the dictatorship of the Proletariat.

Assuming that the capitalist system has broken down, they survey the wreckage with a view to salvaging what may be useful for the purpose of socialist reconstruction. They find much to salvage. First, there is the British Coöperative Movement, surviving in the dual form of voluntary consumers' societies and what the Webbs call obligatory associations of consumers, that is, municipally owned and operated local utilities. Secondly, there is the British Trade Union Movement, the democracies of producers which the Webbs are fond of comparing and contrasting with the consumers' democracies of the coöperative movement. Thirdly, there is political democracy. By the Representation of the People Act of 1918 the goal set up in the famous People's Charter of 1839-48 has at last substantially been attained. The Webbs accept this material as good for the building of the socialist commonwealth. They propose to erect the new structure upon the old foundations. In short, as-

suming that their preliminary assumption is correct, namely that the capitalist system has actually broken down, the Webbs now appear in the guise of conservative reformers. They oppose those impatient critics of the contemporary order of society who would build the ideal commonwealth exclusively upon the principle of production for use, and who would have the users through their associations (democracies of consumers or coöperative societies) control all the conditions of production. They oppose also those other impatient critics of the contemporary social order who would build the ideal commonwealth exclusively upon the principle that the worker shall receive the full product of his labor, and would have the workers through their associations (democracies of producers or industrial unions) control all the conditions of production. Old-fashioned communism and new-fashioned communism alike are rejected by the Webbs.

The Webbs find more formidable opponents in the guild socialists. The younger generation of English Radicals, under the leadership of men like Mr. G. D. H. Cole, have broken the spell of the Fabian tradition and have built up a rival program which the Webbs do not affect to despise. Tho they devote the first part of their argument to a systematic defense of state socialism as the right expedient for the times, they do not fail in the latter part to take account of the proposals of the guild socialists. They explicitly deny that there is any place in a rightly organized socialist state, "the Coöperative Commonwealth of Tomorrow," for a national assembly of vocational representatives. State socialism and political democracy, now and for the future, are declared to be inseparable. If the Webbs' preliminary assumption is correct, the immediate task of the Fabians must be to reënforce the existing structure of British government.

The outstanding feature of their scheme is the suggestion that the functions of the British Parliament be divided between two separate parliaments. One of these the Webbs call the Political Parliament; the other, the Social Parliament. To the former they would entrust the conduct of foreign relations, of imperial affairs, and of the domestic police administration. To the latter they would entrust all legislation of a domestic nature designed to promote the general welfare, and also taxation and finance. To the Political Parliament would be held responsible the secretaries of state for foreign affairs, for war, for India, and for the colonies, the Home Secretary, the chief of the national police under the present allocation of functions, and the First Lord of the Admiralty — all under the leadership of the Prime Minister. But there would be no body of ministers collectively responsible to the Social Parliament. Instead of cabinet government there would be the system of government by standing committees such as characterizes the conduct of local affairs through the British county and borough councils. The members of the Political Parliament would be elected as now by plurality vote in local districts. The Social Parliament, the Webbs concede, might perhaps be best chosen by a system of proportional representation adapted to areas somewhat larger than the present parliamentary constituencies. The Political Parliament would be elected as at present for a comparatively long limited term, subject to dissolution at any time at the will of the government. The Social Parliament, like the existing county and borough councils, would be elected for a shorter fixed term. The power to tax would be vested exclusively in the Social Parliament, tho the appropriating power, so far as concerned the appropriations called for by the budget of the Political Parliament, should be

exercised at a joint session of the two bodies, if unable separately to agree. The budget of the Social Parliament, however, would be voted exclusively by itself.

It is evident that the Social Parliament is intended to be supreme in domestic affairs. There is, however, one significant exception. The enactment of police regulations and of penal legislation will be left to the Political Parliament, and the prosecution of offenders will be left to the government which is responsible to it. In other words, the Social Parliament will be free to promote the general welfare with singleness of purpose, while the Political Parliament will be looked to for the protection of individual liberty and the rights of minorities, so far as compatible with the preservation of the legislative supremacy of the Social Parliament in domestic affairs. By this division of functions the Webbs hope not merely to secure more adequate protection for individual rights than at present, but also to diminish the burden of business now falling so oppressively on a single assembly, and to facilitate the clear and effective expression of the general will of the people on more subjects than can now be brought before the electorate for their decision. They hope to correct the most serious defects of the present scheme of parliamentary government, but not to change the essential nature of the scheme with respect to the conduct of that part of the public business which the custom of the realm has long assigned to the Parliament at Westminster. The newer functions of the state, which they propose to transfer to the jurisdiction of a separate legislative assembly, will also be exercised upon principles in which Englishmen are already in general agreed, for the Social Parliament will be organized substantially upon the principles already tried out and found satisfactory in the field of local government. Since it has been in the latter field that there has been

the greatest development of the functions of government along the lines advocated by the Fabian socialists, the success of the agencies of local government affords to the Webbs a most acceptable precedent for the organization of their new Social Parliament. Despite the name of the new legislative assembly, the thing itself is no less political than the existing county and borough councils.

In short, the Webbs have revived the ancient Whig principle of the separation of powers, but they have given to that principle a novel application. The government of their socialist commonwealth will be a government of checks and balances, but the expedients to which they look for the maintenance of the political equilibrium would have amazed Locke and Montesquieu and Edmund Burke. The Social Parliament has the means of checking the Political by its control of the power to tax and its equal voice in the granting of the political budget. The Political Parliament has the means of checking the Social by its control of the police power and its ultimate responsibility for the maintenance of law and order. As in ancient Stuart times, the power of the purse is to be measured against that of the sword. In place of the legal sovereignty of a single national assembly, as required by the theory of parliamentary government before the war, there will be, not the actual or imminent supremacy of the Cabinet, but a division of sovereignty between two representative assemblies. Those who hold to the dogmas of the analytical jurisprudence which so largely prevailed in later Victorian England will question the feasibility of any such division. But the Webbs are not interested in the subtleties of the Austinian jurists. They profess to build a practicable scheme of government upon the existing foundations. They believe that the old prin-

ciples of the separation of powers and of checks and balances can be adapted to the conditions of the twentieth century and to the exigencies of the socialist commonwealth, and that the revival of those principles will release new energies for the service of the state and establish new safeguards for the protection of the people.

III

Such proposals cannot be expected to escape criticism. Not only theoretical jurists like the Austinians, but many practical Englishmen, with no bias for alternative schemes of reform, such as have been urged by guild socialists and syndicalists and communists and old-fashioned Liberals and Tories, will say that the Webbs' plan will not work. No doubt there are modern instances of somewhat similar schemes. The idyllic constitution prepared by the Italian poet-warrior, D'Annunzio, for his free state of Fiume, contains a scheme, critics would say a fantastic scheme, for government by two separate assemblies with different but coördinate powers. The new constitution of the German Commonwealth, a socialistic commonwealth, too, in its origins, contains a scheme for a National Economic Council to which projects for legislation relating to social welfare must be submitted by the Cabinet and by which they must be approved before they may be considered by the National Assembly or Political Parliament, as the Webbs would call it. But the German National Economic Council is constituted very differently from the Social Parliament proposed by the Webbs, and its relations to the National Assembly are far from comparable to those which the Webbs would establish between their Social and Political Parliaments. The British government itself has established a more comparable scheme in

its recent legislation for the reform of the government of India. But the Montagu-Chelmsford plan for the separation of powers, the dyarchy, as it has been called, is devised to accomplish different ends from those which the Webbs have in view and may be expected to work in an entirely different way. The scheme which the Webbs propose must be approved or condemned upon the general principles of political science; the test of experience cannot be applied.

Whatever may be the general impression upon Englishmen, the Webb's plan for a dual system of representative government will not strike Americans as obviously absurd or impractical. We are accustomed to the idea of two separate governments, each operating directly upon the same body of people, and each supreme in its proper sphere. We have our states and we have our union. Each has its own government with its peculiar functions, and each is held separately to account. We have no difficulty in distinguishing between them. The electorate readily accommodates itself to the task of exercising a dual control. The same is true in every country where the federal system of government is established. The division of powers between the governments of the states and that of the union varies greatly in the different federal states, but all these governments seem to function at least tolerably well, and most of them very satisfactorily. The Webbs' plan has many resemblances to a scheme of federal government. They do not elaborate those portions of the scheme which relate to the conduct of foreign relations and imperial affairs, but it is possible that their Political Parliament might be made to represent the people of the overseas dominions as well as the Englishmen at home. Surely the cabinet might be enlarged for certain purposes by the inclusion of representatives of the self-

governing dominions, as the British War Cabinet was expanded occasionally into an Imperial War Cabinet. Such expansion would not incapacitate ministers for the performance of their special political functions in Great Britain. On the other hand the constitution and powers of the Social Parliament, which of course would exercise jurisdiction only over Great Britain, are not substantially different from what might be suggested for any state belonging to a federal union, with the exception of the omission of the police power. The financial relations between the two parliaments would certainly lead to friction, but friction, if it does not generate too much heat, is a stabilizing force in any government of checks and balances. Whether a stable equilibrium of forces could be established by measuring the power of the purse against that of the sword, as the Webbs propose, is a question that cannot be adequately answered except by experiment. But it cannot be said that stability is impossible.

The defects of the scheme, or rather perhaps of the Webbs' exposition of the scheme, as they appear to an American, are three in number. First, a federal union seems to require a written constitution, and an effective written constitution an independent supreme court to interpret and apply it. The Webbs devote only a footnote to the place of a written constitution and of a supreme court in their socialist commonwealth. The constitution of the Social Parliament will originally be enacted by the present Parliament, like the British North America Act or the Commonwealth of Australia Act, or that creating the Union of South Africa. But the relations between the two cannot be subject ultimately to determination at the discretion of the Political Parliament, or the hoped-for equilibrium between them would be impossible. If the act creating the

Social Parliament should be construed as a compact equally binding upon both — a construction theoretically no more impossible than that adopted by the Supreme Court of the United States in the Dartmouth College case — then the creature would be raised to the same level as the creator. But whether both would remain on the same level might eventually depend on the existence of an impartial supreme court with authority to judge between them. The Webbs make no effective provision for calling in the judiciary to redress an imperiled balance between the two political authorities in their socialist commonwealth. Is it possible that there is some other agency in their scheme of government which they expect to perform a similar function? They do not say.

Secondly, the Webbs have little to say about the place of political parties in their socialist commonwealth. Parties are scarcely mentioned in the text of their book, tho like the supreme court made the subject of one brief but significant note. What effect, they inquire, will the proposed reconstruction of the national government have on the organization of political parties? Will it make for the continuance of the party system? Will it mean two parties or many groups? Or will the party system be superseded altogether? These questions the Webbs promptly dismiss as outside the realm of constitutional reconstruction. This is an amazing indifference to a feature of British politics which during the last two centuries and more has been the very breath of life in the constitutional system. It was the parties that have made the constitution what it is today. Without two parties the system of Cabinet government and ministerial responsibility could not go on as it did before the war. The Webbs' Political Parliament would not function in the familiar way, and

if it is to function differently, they ought to consider how great the differences will be and what will be their effect on the general operation of their scheme. Doubtless the election of the Social Parliament by some system of proportional representation would tend to split the electorate into numerous groups for the purposes of such elections, and that would probably be no serious impediment to the proper functioning of a body which would act largely through standing committees. The Webbs indeed are inclined to think that the organized political parties as they exist today will pass away. But that gives them little concern, since they expect the business of electioneering to be transformed by the devolution of the work on public officers, not politicians, but permanent administrative officials. They appear to put their trust in parties no more than in an independent judiciary. Their confidence is reserved for the permanent under-secretaries and the civil service.

Thirdly, the Webbs do not state clearly the relations they hope to establish between the legislative and executive branches of their proposed government, or, more broadly, between politics and administration in the socialist commonwealth. It might be inferred that they intend to preserve the same relations between the imperial Cabinet and the Political Parliament that now obtain between Parliament and Cabinet. But their indifference to the future of the party system throws doubt upon this inference. The doubt is confirmed by their statements concerning the function of the legislator and the relation between the legislator and his constituents. The future member of the Social or Political Parliament will devote his whole time to the performance of the duties of his office, and will be paid a salary adequate for his full maintenance. He will tend to be regarded "as pursuing a definite vocation requiring no

less continuous devotion to duty and the mastery of no less technique (tho of a different kind) than the vocation of the professional expert or that of the civil servant." Those who pursue the vocation of elected representative "will find themselves relatively impartial as between the ideals of different reformers, in all of which they will discern much that is good, and will be concerned rather to discover how the particular projects of the idealists and the half-articulate desires of the electorate can be adjusted to the circumstances, in such a way as to be made in a democratic community to work for the common benefit." Like the guardians of Plato's ideal republic they will be trustees of the commonwealth, tho, unlike Plato's guardians, they must contrive how periodically they may obtain the sanction of formal public approval for their conduct of affairs instead of securing in advance the support of public opinion once for all time by a magnificent fiction.

The professional politician, therefore, like the expert administrator, will be a bureaucrat. The business of electioneering will be performed by their official subordinates and will be paid for out of the public funds. The political parties will be reduced to the rank of transient propagandist organizations, whose work will consist more in educating the electorate than in lobbying the members of the two parliaments. Under such conditions the elected functionaries may be expected to fraternize easily with those who are appointed to the permanent civil service, and to coöperate readily with them in the conduct of administration. In the case of the Political Parliament this might be viewed with alarm, as likely to undermine unduly the authority of ministers and to enhance to a dangerous extent the influence of the permanent officials; since these would be for the most part members of the military or naval or

domestic police establishments. Probably the Webbs believe that the control of the purse possessed by the Social Parliament will provide an adequate check against the rise of a militarist bureaucracy. In the case of the Social Parliament the process of "bureaucratization," which, under the committee system to be established in that branch of the government, would go much farther than in the other branch, apparently is viewed with complacency, if not with complete satisfaction, by the Webbs. They declare indeed that the control of administration is to be scrupulously separated from the actual conduct of administration. They recognize the distinction between administration and politics, but both functions are to be reserved for the same class of selected men, who will stand above the petty interests and factional spirit and "half-articulate desires" of the average man.

IV

The truth seems to be that the Webbs do not believe in the democracy of the average man. Professor Hobhouse, in his brilliant little book on Liberalism, published some ten years ago, has this to say about what he calls Official Socialism. "Beginning with a contempt for ideals of liberty based on a confusion between liberty and competition, it proceeds to a measure of contempt for average humanity in general. It conceives mankind as in the mass a helpless and feeble race, which it is its duty to treat kindly. True kindness of course must be combined with firmness, and the life of the average man must be organized for his own good. He need not know that he is being organized. The socialistic organization will work in the background, and there will be wheels within wheels, or rather wires pulling wires. Ostensibly there will be the class of the elect, an aristocracy of

character and intellect which will fill the civil services and do the practical work of administration. Behind these will be committees of union and progress who will direct operations, and behind the committees again one or more master minds from whom will emanate the ideas that are to direct the world. . . . Socialism so conceived has in essentials nothing to do with democracy or with liberty."

Official socialism means Fabian socialism; and now the head and front of the Fabian socialism speak for themselves. "It is true," they confess, "that the machinery of administration of any national industry or service — covering an area nation-wide, supplying a thousand separate needs, impinging on ten million families — is and must necessarily be complicated. It is true moreover in a certain sense that this complication is a characteristic of democracy. The simplest of all governmental systems — so at least it seems at first sight — is that of uncontrolled autocracy. The unrestrained dictatorship of the capitalist achieves in industry a similar simplicity — so at least it appears at the outset — by the identity of the ubiquitous motive of private profit, and by the ruthlessness of competition in the struggle for existence. Neither autocracy nor the capitalist system long retains, as a matter of fact, its assumed pristine absence of complications, but is found in practise to become a whole mass of complications, cycles upon epicycles and wheels within wheels, only concealed from the ordinary citizen by business or bureaucratic secretiveness. But however that may be, democracy cannot afford to dispense with complication in its administrative machinery, because only by an extensive variety of parts, and a deliberately adjusted relation among those parts, can there be any security for personal freedom and independence in initiative of the

great mass of individuals, whether as producers, as consumers, or as citizens. It is only by systematically thinking out the function that each person has to perform, the sphere that must be secured to each group or section, the opportunities in which each must be protected, and the relation in which each must stand to the others and to the whole, that in any highly developed society the ordinary man can escape a virtual, if not a nominal, slavery. . . . The price of liberty is the complication of a highly differentiated and systematically coördinated social order."

But who shall do this systematic thinking out of the functions that each person has to perform? Who shall determine the sphere that must be secured to each group or section? Who shall define the opportunities in which each must be protected, and the relation in which each must stand to the others and to the whole? Apparently the Webbs do not intend that this shall be done by the "ordinary man" or even altogether by those elected representatives whose function it is to stand between the ordinary man and his "half-articulate desires." And if not by these, then by whom? Is it by the great class of permanent civil servants, or rather by the more select class of expert technicians among them? Or by those who compose the "wheels within wheels" and the "cycles upon epicycles?" In short who are in the last analysis the guardians of the Fabian socialist commonwealth? The Webbs do not answer.

It is not to be supposed that writers as competent and experienced as the Webbs omit all discussion of matters of such great importance out of ignorance or heedlessness. What they wish to say they know how to say. What they omit is presumably omitted by design. Do they omit the details concerning the organization of the guardians of their commonwealth because they think

their readers will not be interested, or cannot understand, or ought not to be told? They do not say. The esoteric mysteries are withheld.

The argument for real democracy was illustrated by Aristotle long ago, when he said that the cooks may properly be charged with the preparation of the feast, but the ultimate judges must be those who eat it. In modern times this is still true, no matter how many dieteticians, chemists, household economists, and other technical experts may be called in for advice. Democracy cannot be a sham, if the state is to perform successfully all the services which the socialists wish it to undertake. It will fail to fulfill its functions, unless the bureaucracy are true servants and not disguised masters of those whom they are appointed to serve.

The Webbs, whatever may be their ultimate hopes, certainly do not expect to procure the original establishment of their proposed form of government except by democratic processes. Like every important change in the government of Great Britain, their plan will presumably be executed, if at all, as a party measure after a pitched battle with the opposition by a triumphant combination of political forces. Under present political conditions that combination must have the active or passive support of a majority of the nation. The leaders of such a party might well have less insight than the Webbs into the complications of the administrative machinery of the socialist commonwealth and imperfect control over the inner circles of the Fabian samurai; but they would understand the sources of their own power, and they would adopt no scheme which would threaten the foundations of their authority. Whether or not the Webbs' scheme is practicable, therefore, depends in the first instance upon its probable effect on the fortunes of a Liberal-Labor-Socialist coalition. If the

necessary tendency of the scheme is to terminate in a bureaucratic dictatorship, as the Webbs may think, it will not be adopted. If it appears, however, that the wish has been father to the thought and that such a tendency is not inherent in the scheme, the plan might conceivably be adopted, subject to certain modifications. It is undoubtedly based upon a penetrating analysis of the contemporary political and economic situation.

The Webbs are probably mistaken in supposing that their plan will tend to produce a dictatorship of the intellectuals. It would divide the existing Parliament into sections and would, therefore, doubtless tend to weaken the influence of parliamentarians in the conduct of public affairs. It would not divide the professional administrators to a corresponding extent, for they are already divided into the two classes of diplomatic and military officials on the one hand, and the civilian bureaucracy on the other. These divisions would be perpetuated, but the separation of the two parliaments would probably tend to consolidate the several subdivisions of the two bureaucracies more firmly than ever. It is an old saying that the more there is of the more, the less there is of the less. The weakening of the parliamentary influence would strengthen the influence of the bureaucracy, especially of the civilian bureaucracy with its more favorable financial situation. So far the expectations of the Webbs may be well founded. But it is unlikely that the members of the two parliaments, especially of the Social Parliament, would become less dependent on their constituents. In fact members of the British Parliament today are probably less dependent on their constituents than the members of the supreme legislative assembly in any other democratic state. This is the consequence partly of the elimination

from the business of Parliament of most of the private and local matters which so embarrass the members of representative bodies in many democratic states, particularly in America. In part it is the consequence also of the strength of the established political organizations, which makes party regularity the candidate's principal asset at the polls and relieves him from personal responsibility for most of the electoral program, as well as for his conduct in office. The weakening of the parliamentary system, instead of making the member more independent, would have the contrary effect. The subdivision of parties would throw the individual members to a greater extent than now on their own resources, and the introduction of proportional representation, by stressing particular issues more heavily than is possible under any bi-partisan system of politics, would compel members to assume much more extensive personal obligations towards the groups of voters whom they represent than under the present system. They will not become "relatively impartial as between the ideals of different reformers," as the Webbs suppose; but on the contrary more definitely advocates than ever. Doubtless the typical British amateur or "gentleman" politician will more and more give way to the professional, but the type of professional is likely to resemble the representative of special interests, as we know him in America, rather than the disinterested bureaucrat whose coming the Webbs fondly anticipate. This prospect, however, will not appear very terrifying to working party leaders, nor dissuade them from considering the Webbs' plan upon its real merits.

It is doubtful moreover whether the tendency toward concentration of domestic administrative authority in the hands of a disciplined civil bureaucracy would in any event go as far as the Webbs seem to suppose. During

the war all the capitalistic states have been experimenting with socialistic devices. From these experiences much has been learned. In the United States the most significant lesson of the war in this connection is the value of the ordinary business corporation as a form of organization for administering public affairs. Altogether half a dozen of such corporations were organized: the Emergency Fleet Corporation, the War Finance Corporation, the Food Administration Grain Corporation, the Sugar Equalization Board, the Housing Corporation, and the Russian Bureau of the War Trade Board. Business men temporarily in the service of the government, intent on securing quick action and prompt returns, favored this method of administration because it promised relief from vexatious government red tape. A government-controlled corporation is an independent entity with a legal personality of its own. In the absence of special legislation regulating its operations, it can avoid the jurisdiction of the Civil Service Commission and possibly also that of the Comptroller of the Treasury. It can escape from the mesh of rules governing the purchase of government supplies and the letting of contracts. The device sets the business man in government service free to carry on his work in his own way.

Probably these advantages are largely exaggerated, if not specious. Business men presently found that excessive freedom brought its own penalty, and that a certain amount of so-called red tape was necessary for their own protection. The more solid advantages of the corporate form of organization in conducting the public business were of a different sort. It did indeed introduce needed flexibility into government administration, but especially it facilitated the representation of different points of view in the determination of the larger questions of policy arising in the conduct of great en-

terprises. This advantage of the corporate form was recognized in various quarters and was utilized notably by the leaders of the Railroad Brotherhoods in the preparation of the Plumb plan for government ownership and operation of the steam road transportation system of the United States. The Webbs are acquainted with the latter project and compare it favorably in certain respects with the equally notable plan of the Sankey Commission for the nationalization of the British coal industry. The Webbs believe that the device of boards of directors, representing respectively the management, the workmen, and the public, is susceptible of extended application, and that its utilization will do much to open up the administrative bureaucracy and make it more flexible and at the same time more responsive to the various bodies of opinion, political, economic and social, of which it ought to take account. They contemplate indeed the administration of the industries of the nation under the direction of such boards, but they do not indicate the effect of such an arrangement on the position and influence of the permanent civil service in which elsewhere they seem to put their principal trust. Certainly the conduct of the national administration, so far as it falls under the supervision of the Social Parliament, by a series of tripartite boards of directors will not tend to produce the hoped-for dictatorship of the intellectuals.

It is to be regretted that the Webbs did not choose to elaborate the organization of the inner cycles and epicycles of their administrative machinery. In this field of governmental action they are thoroly at home. They could write about inner cycles and epicycles with the assurance of authorities who can justly boast, all of which we saw and much of which we were. This would be not only interesting but highly instructive. Graham

Wallas, himself long one of the Fabians, has taught us the importance of the right organization of official thought and will in modern capitalistic or socialistic society, and has made a helpful beginning in the study of the functioning of a civil general staff. The Webbs could contribute much to such a study. Instead they have repeated what they had already said elsewhere concerning the matters at issue between themselves and the proponents of rival schemes of reform. They reiterate their dissatisfaction with the existing organization of local government. They reëmphasize their early instruction in the limitations of the consumers' coöperative movement. They point out anew the incapacity of democracies of producers to be entrusted with the ownership of the instruments of production in their own vocations. They concede to the guild socialists, to be sure, recognition of a right of self-determination to the members of a vocational association, but their view of the proper limits of self-government in industry is nevertheless thoroly consistent with the views of those who advocate the maintenance of the unchallenged supremacy of the state over all its parts. To the vital questions, however, concerning the location of the center of equilibrium in their system of government, and the manner in which the forces impinging thereon will be organized and controlled, we find no answer. The Webbs note that they found their proposals for administrative reorganization fitted in with the principles enunciated in the Report of the Machinery of Government Committee to the Minister of Reconstruction. With this casual reference to Lord Haldane's comparatively moderate proposals they dismiss that important subject. In short, as we have remarked before, the Webbs, so far as they show their hand, seem to have accepted the rôle of conservative reformers. If so, and if what they say about

the break-down of the capitalist system is true, it is probable that they are now not far ahead of the opinion of that average man whose "half-articulate desires" they generally distrust, but whose support is essential to the realization of their plan.

V

There remains to be considered, therefore, the preliminary assumption upon which the Webbs' plan is predicated, namely, that the capitalist system as a coherent whole has at the present moment demonstrably broken down. The Webbs do not stop to demonstrate the break-down of capitalism. Indeed they expressly disclaim any attempt in this book to frame an indictment of the capitalist system. They do pause at one point to cite with warm commendation Mr. R. H. Tawney's recent monograph on *The Sickness of the Acquisitive Society*. In general, however, they are content, in expounding their plan, tacitly to address those for whom capitalism has lost its moral authority as well as its economic justification. The suggestion that capitalism has actually collapsed or is on the verge of doing so in Great Britain will shock the American not fully conversant with the trend of events in the "tight little island." Capitalism seems so firmly in the saddle in this country, and the results of its violent overthrow in such distant lands as Russia have been represented to be so terrible, that he cannot imagine sober-minded Englishmen talking so calmly of its impending collapse. That raises the question, what do the Webbs mean by capitalism.

Perhaps one can best answer by telling what they do not mean. They do not mean the system of unrestrained competition between owners and users of capital goods

which was the dream of Adam Smith, the breath of life of Nassau Senior, and the despair of John Stuart Mill. That system, so far as it had ever flourished in the great staple industries, has been dead and gone for some time. In some other industries it never succeeded in supplanting the system of independent craftsmanship. That suggests the further question, when did the capitalism celebrated by classical economists of the nineteenth century arise. Every historian knows that no precise date can be assigned. He knows when important inventions were made, when mechanical power was first applied on a large scale in various industries, when manufacturing gave way to machine fabrication; but these changes took place gradually and in different industries at different times. In some industries they have not taken place at all. As with the rise of modern capitalism, so also with its fall: the future economic historian will be unable to assign any precise date.

To the political scientist, if not to the economist, the significant feature of the capitalist system is not the method of production, nor even the distribution of wealth and income, but the distribution of political power. However slow and imperceptible to contemporaries may have been the displacement by the factory system of production of the earlier handicraft and domestic systems, the change in the distribution of power might come with dramatic suddenness. The feudal system fell in France in August, 1789, and presently the capitalist system took its place. In England there was no such dramatic shifting of power. Feudalism was not finally overthrown until the passage of the Parliament Act of 1911. It had already begun to fall at the time of the Wars of the Roses. So it is with modern capitalism. Much power has already slipped from the hands of the capitalists. More is constantly slipping, and the end is not in sight.

There are ample evidences of this tendency even in America. The Transportation Act of 1920, for instance, authorizes a governmental body to establish standards of service on the steam railroads of the United States, to fix rates, to authorize issues of capital, to approve combinations of carriers, to regulate the distribution of cars, and to supervise the maintenance of safe conditions of travel. It authorizes another governmental body to establish standards of employment and compensation, so far as concerns all classes of employees except the higher officials, and to adjust disputes arising in the course of employment. It leaves to the owners of the properties the power to select the executive officers, and to the latter the power to operate the properties subject to the control of the two governmental bodies and power, also, to fix their own salaries, subject to no effective control. Power has almost entirely passed from the hands of the owners, and very largely from those of the executives. Is this capitalism or is it socialism? Economically it is capitalism; politically it is socialism, a form of state socialism under which the railroad bureaucracy is rendered incapable of performing services commensurate with the salaries they are likely to pay themselves. In this instance the trend toward state socialism has gone farther than elsewhere in America. In general it has not gone so far as to warrant the use of any other term than capitalist to describe the existing order of society.

In Great Britain the trend towards state socialism has gone much farther. Tho the predominant power still resides in the hands of those who own capital or are the agents of capitalists, a substantial share of the power has already been acquired by those who have succeeded without the ownership or control of capital in organizing the laboring, consuming, and voting

masses. A little more success to these organizers in the great basic industries and centers of population, and socialist may well be the apter descriptive term to characterize the resulting state of society. Capitalists will continue to be active in industry and in politics, but their authority will be outweighed by that of their rivals in leadership. The transition is not likely to be definitive at any early date. There may be temporary relapses to capitalist predominance in politics, like that in the German commonwealth since the ratification of the Treaty of Versailles. The establishment of the socialist commonwealth is likely to be a protracted and uncertain process, recalling the checkered history of the Third Republic in France. In short Fabian tactics may actually prevail in the struggle for political power between the defenders of the present economic order and its enemies. At some point — perhaps imminent — in the struggle, the balance of power will incline definitively against the capitalists. That event or the present prospect of it is what the Webbs probably mean by the break-down of the capitalist system.

The adoption of Fabian tactics in the constituting of the British socialist commonwealth certainly is most consonant with the political genius of the British people. But under these tactics the consideration of a systematic and complete plan for organizing the public services is not an inevitable task of the rulers of the state. Indeed the plan which the Webbs have proposed may not be designed for strict application by a future Liberal-Labor-Socialist coalition. It may have been published rather to refute the various contemporary attacks on Fabian socialism by the adherents of competing systems of social reconstruction. If this be its purpose, it must be pronounced a very effective production. Whatever may be thought of the Webbs' suggestions for the division of

powers between the Political and Social Parliaments or of their hopes for the development of the administrative bureaucracy, there can be no doubt that they have dealt a heavy blow to the propaganda of the guild socialists, the syndicalists, and the revolutionary communists. Their book will be an arsenal of arguments, a magazine of fertile suggestions, from which future ministers, committed to a moderate policy of state socialism, can draw to meet the attacks of impatient and ultra-radical critics and to devise expedients for dealing with the exigencies of the moment in the conduct of affairs. If this be the true purpose of the authors, theirs is a most timely book, a necessary sequel to their well-known pamphlet, *Labour and the New Social Order*, the authoritative program of the British Labor Party. But it is much more than a supplement to the official platform of the Labor Party. It is a substantial contribution to the literature of modern industry and politics. It will take its place as a worthy companion of the *History of Trade Unionism* and of *Industrial Democracy*.

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